STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES

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Introduction

Chairman Wenstrup, Ranking Member Takano and members of the Subcommittee on Economic Opportunity, I am pleased to appear before you today on behalf of the over 55 member state agencies of the National Association of State Approving Agencies (NASAA) and appreciate the opportunity to provide comments on bills pending before this committee, particularly H.R. 456, H.R. 475, and H.R. 476. I am accompanied today by Timothy Freeman, NASAA Legislative Director. As a part of our review of these bills, we will also provide some additional comments that address the ongoing implementation of Section 702 as State approving agencies are taking a lead role in this process.

H. R. 475 G I Bill Processing Improvement Act of 2015

Though our primary responsibility is to approve quality educational programming in which a qualified veteran can enroll while using his GI Bill, we understand well the importance of timely payment of benefits to veterans. And we often work with the VA Education Liaison Representatives in our states to help resolve difficult cases involving veteran payment issues. As such we support the provisions of HR 475 Sec. 2 and would like very much to see changes and improvements made to VA information technology systems such that all original and supplemental chapter 33 claims, to the maximum extent possible, are adjudicated electronically. Indeed, for the last two years, we have worked side by side with our VA partners to redesign the compliance survey process so that corrections to claims generated during those visits would be handled utilizing the VA Once automation system and not paper referrals. We continue to work with the VA to further refine the handling of these claim adjustments so that veterans may receive monies owed them as expeditiously as possible.

NASAA also supports the extension of effective date of Section 702 (b) as set forward in Sec. 3 of H.R. 475. While we are hopeful that the efforts of SAAs and other stakeholders in this endeavor result in full compliance by all schools within the prescribed deadline, we recognize the need to account for those situations in which an extension or waiver might be a prudent course of action, without which, great harm will come to those affected veterans who serve this nation proudly. I am pleased to report to the committee that State Approving Agencies, through NASAA, have taken a leading role in assisting their individual states in becoming compliant with Section 702. Just this last week, we established a page in the member section of our national website that we update almost daily to show any changes in the status of the adoption of Section 702 requirements within the individual state. Likewise we have provided on that website language approved by VA legal counsel

within education service and/or the legislative language used to bring states within compliance. Though only seven (7) states (Texas, Georgia, Kentucky, North Dakota, Nebraska, Wyoming) were compliant with the requirements of the law as of yesterday, states are working diligently to meet the requirements of the federal law. We are not aware of any states that do not wish to provide this benefit to veterans within their borders. We fully expect that some states might require a waiver, as provided for in the Choice Act, but we are committed to working with our VA partners to ensure that the waiver process is equitable and timely. We are holding regular meetings with VA Education Service's Section 702 staff to keep them abreast of changes and developments. As I stated to NASAA membership at our DC Conference last month, this "is now a state matter and we are the state agencies with the most knowledge and experience in this field to assist our state leadership. We will not shirk from that responsibility nor ignore this opportunity…it is our goal that well before July 1 all of our states are either in compliance or well on the way with waivers in hand."

Mr. Chairman, we support the other provisions of 475 as well, but we would suggest that this Committee examine closely how the GI Bill pays for covered fees such as certification testing and potentially, application fees (H.R. 456). We agree with the American Legion and other Veterans Service Organizations that we should eliminate the requirement that the Post-9/11 recipients use a month of entitlement for a certification or licensing test fee when the actual costs may be far less than what that month of entitlement would be worth in an educational setting. For example, to be reimbursed for a PRAXIS series exam test fee of $85, a veteran will lose a month of eligibility worth well over $1000 at a college or university.

H. R. 476 The GI Bill Education Quality Enhancement Act of 2015

NASAA strongly supports H. R. 476 and sees its passage as critical to the protection of our veterans and the fair and equitable administration of GI Bill educational benefits. Section 2 of this bill seeks to clarify and codify State approval authority and oversight over all non-Federal facilities. It would accomplish this by identifying SAAs as the primary entity responsible for approval, suspension, and withdrawal. These proposed changes would ensure that an actual process for approval, suspension, and withdrawal will be adhered to (as opposed to our current scenario under the present "deemed approved" idea). The law does not do away with the idea that accredited degree programs at public and not for profit private institutions of higher education (IHLs) may be "deemed approved," rather, it would maintain the intent of the statute by adhering to an expeditious list of approval criteria for those programs that have been reviewed and/or endorsed by another appropriate entity. Furthermore, these changes would lessen the opportunity for third-party contracted training programs to be "deemed approved" with no review, in that SAAs would clearly possess the authority to review contracted training programs as a part of their annual evaluation of programs and policies.

In addition, since the passage of the Post 9/11 Veterans Educational Assistance Improvements Act of 2010 (111-377) in January of 2011, there has been no statutory authority for the approval of accredited NCD programs at public or private not-for-profit institutions. Section 2 expands 3675 to cover all accredited programs not already covered under 3672, while maintaining all previous approval criteria for private-for-profit institutions. We are concerned with the recent proliferation of transition and training programs at accredited institutions of higher learning, particularly community colleges, as well as certifications that may or not meet industry standards or have real earning power.

As the oversight of education within their borders remains both a key role and responsibility of the states, NASAA strongly supports "additional reasonable criteria" which are used to approve non-accredited courses. Examples of such criteria that states mandate within their borders include a

requirement for licensing to operate an educational institution or requirements for health and safety regulations. Likewise, some states require additional attendance requirements or a careful monitoring of standards of progress. Such additional criteria are for the protection of the states and their residents and/or citizens. NASAA does not oppose Section 3 of this bill in that it requires that, when the Secretary determines that review of the state criteria is necessary, the Secretary must do so in consultation with the State approving agency and the criteria must be necessary and treat all sectors of education within the state equitably. Equitable application of statute is a shared value of our member agencies.

Section 4 of this bill also provides measures to improve cost control for aviation degrees offered by colleges and universities. These programs frequently involve a contracted flight school, which may or may not be approved by a state approving agency. Some public higher education institutions have instituted extreme costs for flight fees as there are presently no caps in place for public IHLs. In some cases, benefits have been paid for aviation degree programs at public IHLs provided by a third-party flight contractor with no approval issued by the governing SAA. This was exacerbated by the implementation of 3672. And some students are taking flight classes as electives with no cost cap for flight fees. In those cases, students could foreseeably take flight classes as an "undeclared" student for up to two years. This section would limit Chapter 33 payments flight programs at public institutions to prevailing cap, presently $20,235.02. There would be no impact on the institutions' ability to access Yellow Ribbon funds. This cap would also eliminate the need to further investigate and micro-manage flight programs areas including the number of flight hours in addition to those minimally required or the types of aircraft used.

Finally, Section 5 mandates appropriate changes to 38 US 3693 (Compliance Surveys) to maximize the opportunity to protect the G I Bill while changing the manner in which we perform these surveys to reflect the changes that have occurred in higher education and training in the past three decades. The current statutory requirements for VA to conduct Compliance Surveys represents an almost impossible mission, given present resources. The statute requires an annual survey be conducted at each and every facility that offers anything other than a standard college degree as well as each and every institution enrolling at least 300 GI Bill recipients. This section makes changes in the law to allow for a manageable mission in which VA, with the assistance of SAA partners, can conduct compliance surveys on a regular scheduled basis at the majority of approved institutions, while allowing for continued waiver of those institutions with a demonstrated record of compliance. At the same time, NASAA feels strongly that no school should go without a visit of some kind for longer than three years. Such compliance surveys should be designed to ensure that the institution and its approved courses are in compliance with all applicable provisions of chapters 30 through 36 of this title, but should also allow for limited program review, interviews with veteran students and training for school officials. Plus, the changes should allow for flexibility to adjust resources towards specific high-risk educational institutions as specific needs arise, allowing both VA and SAAs to be nimble and proactive in response to risks identified through the new complaint system and will allow SAAs to provide needed technical assistance and training visits to schools. By amending the law to provide that "the Secretary will conduct a compliance survey at least once every two years at each institution or facility offering one or more courses approved for the enrollment of eligible veterans or persons if at least 20 veterans or persons are enrolled in such course or courses," we will make sure that schools that need a visit will receive one allow enough flexibility for SAAs to focus more on their primary roles of approval, training and technical assistance. We believe strongly that HR476 allows us to focus on these critical areas. We believe in the wisdom of preventing problems through carefully approving programs that provide jobs to veterans, not by creating debts or allowing veterans to go months without proper payment when such could and should be avoided.

Conclusion

Mr. Chairman, today, fifty-five SAAs in 49 states (some states have two) and the territory of Puerto Rico, composed of approximately 175 professional and support personnel, are supervising over 7,000 active facilities with 100,000 programs (includes those considered "deemed approved"). Last year, we increased the number of compliance visits we conducted to 2,672 visits, an increase of 17% over the previous year and more than fifty (50) percent of the visits accomplished. But even more impressive, we increased the number of education and training programs we approved by over 75% while expanding our outreach efforts to new institutions and veterans by 26%. This is just further evidence that we remain strongly committed to working closely with our VA partners, VSO stakeholders and educational institutions to ensure that veterans have access to quality educational programs delivered in an appropriate manner by reputable providers. For we all share one purpose, a better future for our veterans and their dependents. Mr. Chairman, I pledge to you that we will not fail in our critical mission and in our commitment to safeguard the public trust, to protect the GI Bill and to defend the future of those who have so nobly defended us." I thank you again for this opportunity and I look forward to answering any questions that you or committee members may have.